

MCNAIR LAW FIRM, P.A.
ATTORNEYS AND COUNSELORS AT LAW

ROBERT T. BOCKMAN
rbockman@mcnair.net

www.mcnair.net

BANK OF AMERICA TOWER
1301 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201

173879
5/3/05 JMB
POST OFFICE BOX 11390
COLUMBIA, SOUTH CAROLINA 29211
TELEPHONE (803) 799-9800
FACSIMILE (803) 753-3219

May 3, 2005

The Honorable Charles L. A. Terreni
Chief Clerk/Administrator
South Carolina Public Service Commission
P.O. Box 11649
Columbia, SC 29211

RE: Application of Chem-Nuclear Systems, LLC, a Division of Duratek, Inc. for
Adjustments in the Levels of Allowable Costs and for Identification of Allowable
Costs (SCPSC Docket No. 2000-366-A)

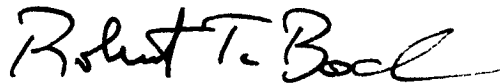
Dear Mr. Terreni:

During the testimony of James W. Latham on behalf of Chem-Nuclear Systems, LLC ("Chem-Nuclear") in the hearing before the Commission on April 21, 2005, Chairman Mitchell directed Chem-Nuclear to prepare and submit a "late-filed exhibit" for which he reserved the designation "Hearing Exhibit No. 2." In compliance with the Chairman's directive, I have enclosed 15 copies of a one-page document labeled "JWL-2 (late-filed)" which constitutes Hearing Exhibit No. 2.

By copy of this letter, I have provided a copy of Hearing Exhibit No. 2 to all parties of record.

If you have any questions with respect to this matter, please do not hesitate to contact me.

Very truly yours,



Robert T. Bockman

RTB/yms
Enclosures

cc: All Parties of Record (w/ enc)

**JWL-2 ("Late-Filed")
HEARING EXHIBIT NO. 2**

INSURANCE CREDIT

American Nuclear Insurance (ANI) underwrites the Barnwell nuclear insurance policy. Under policies written by ANI, a component of the premium is earmarked as a "loss reserve." If ANI determines that the reserves on an entire portfolio basis for all the businesses they underwrite is adequate, a portion of the "loss reserve" is refunded to the policy holders.

In May 2004, a refund of \$11,571 on the Barnwell nuclear insurance policy was credited to the Barnwell account. This refund represents a return of a portion of the "loss reserve" for a prior policy year.

RECEIVED
2005 MAY -3 PM 3:56
SC PUBLIC SAFETY
COMMUNICATIONS